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Executive Summary Report

Appraisal Date 1/1/2008 - 2008 Assessment Roll

Area Name / Number: East Rural King County / 90

Previous Physical Inspection: 2002

Sales - Improved Summary:

Number of Sales: 43

Range of Sale Dates: 1/2005 - 12/2007

Sales – Improved Valuation Change Summary						
	Land	Imps	Total	Sale Price	Ratio	COV
2007 Value	\$30,500	\$176,000	\$206,500	\$261,800	78.9%	35.22%
2008 Value	\$54,000	\$204,900	\$258,900	\$261,800	98.9%	14.79%
Change	+\$23,500	+\$28,900	+\$52,400		+20.0%	-20.43%
% Change	+77.0%	+16.4%	+25.4%		+25.3%	-58.00%

*COV is a measure of uniformity, the lower the number the better the uniformity. The negative figures of -20.43% and -58.00% actually represent an improvement.

Sales used in this analysis: All sales of one to three unit residences on residential lots which were verified as, or appeared to be market sales were considered for the analysis. Individual sales that were excluded are listed later in this report. Multi-parcel sales, multi-building sales, mobile home sales, and sales of new construction where less than a 100% complete house was assessed for 2007 or any existing residence where the data for 2007 is significantly different from the data for 2008 due to remodeling were also excluded. In addition, the summary above excludes sales of parcels that had improvement value of less than \$4,000 posted for the 2007 Assessment Roll. This also excludes previously vacant and destroyed property partial value accounts.

Population - Improved Parcel Summary Data:

	Land	Imps	Total
2007 Value	\$33,700	\$164,300	\$198,000
2008 Value	\$57,700	\$194,900	\$252,600
Percent Change	+71.2%	+18.6%	+27.6%

Number of improved Parcels in the Population: 630

The population summary above excludes multi-building, and mobile home parcels. In addition parcels with 2007 or 2008 Assessment Roll improvement values of less than \$4,000 were excluded to eliminate previously vacant or destroyed property value accounts. These parcels do not reflect accurate percent change results for the overall population.

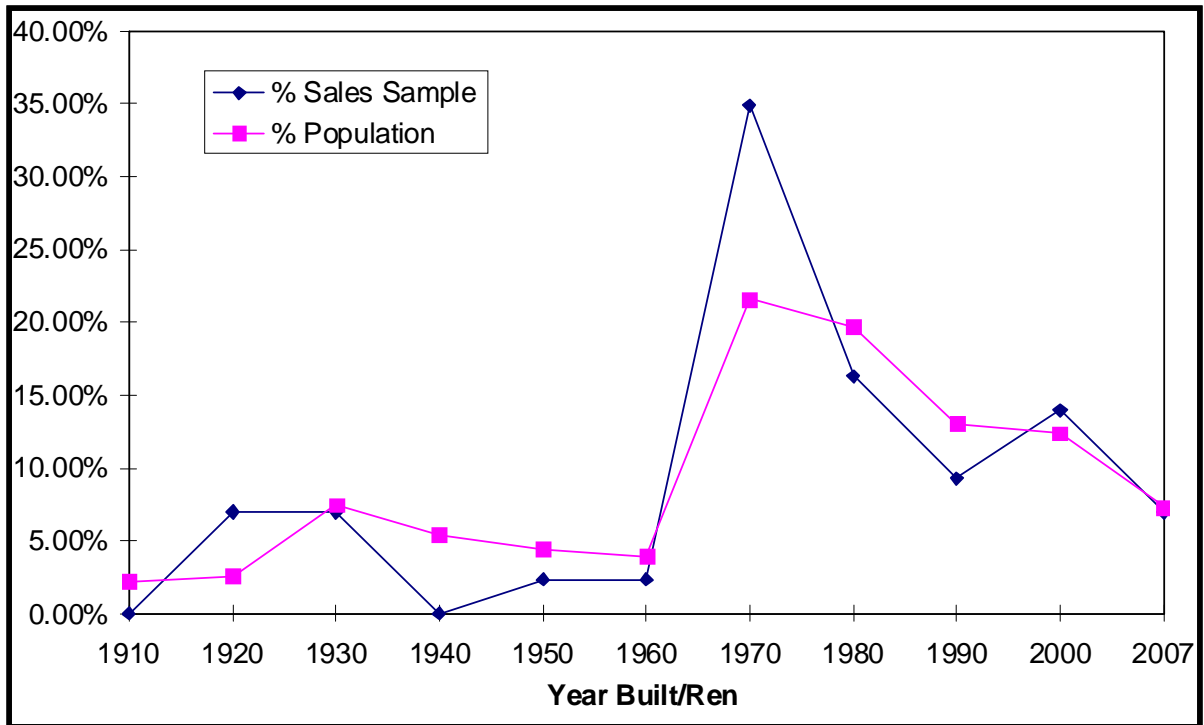
Conclusion and Recommendation:

Since the values recommended in this report improve uniformity, assessment level and equity, we recommend posting them for the 2008 Assessment Roll.

Sales Sample Representation of Population - Year Built or Year Renovated

Sales Sample		
Year Built/Ren	Frequency	% Sales Sample
1910	0	0.00%
1920	3	6.98%
1930	3	6.98%
1940	0	0.00%
1950	1	2.33%
1960	1	2.33%
1970	15	34.88%
1980	7	16.28%
1990	4	9.30%
2000	6	13.95%
2007	3	6.98%
	43	

Population		
Year Built/Ren	Frequency	% Population
1910	14	2.22%
1920	16	2.54%
1930	47	7.46%
1940	34	5.40%
1950	28	4.44%
1960	25	3.97%
1970	136	21.59%
1980	124	19.68%
1990	82	13.02%
2000	78	12.38%
2007	46	7.30%
	630	

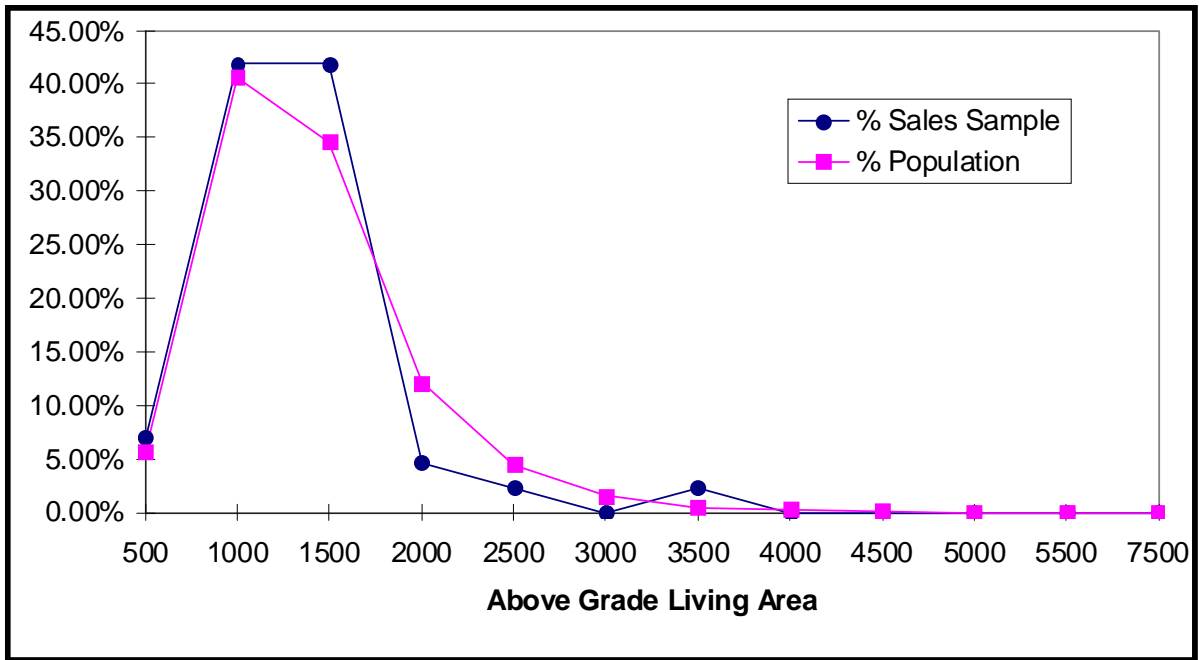


The sales sample frequency distribution follows the population distribution fairly close with regard to Year Built/Renovated. This distribution is ideal for both accurate analysis and appraisals.

Sales Sample Representation of Population - Above Grade Living Area

Sales Sample		
AGLA	Frequency	% Sales Sample
500	3	6.98%
1000	18	41.86%
1500	18	41.86%
2000	2	4.65%
2500	1	2.33%
3000	0	0.00%
3500	1	2.33%
4000	0	0.00%
4500	0	0.00%
5000	0	0.00%
5500	0	0.00%
7500	0	0.00%
	43	

Population		
AGLA	Frequency	% Population
500	36	5.71%
1000	256	40.63%
1500	218	34.60%
2000	76	12.06%
2500	28	4.44%
3000	10	1.59%
3500	3	0.48%
4000	2	0.32%
4500	1	0.16%
5000	0	0.00%
5500	0	0.00%
7500	0	0.00%
	630	

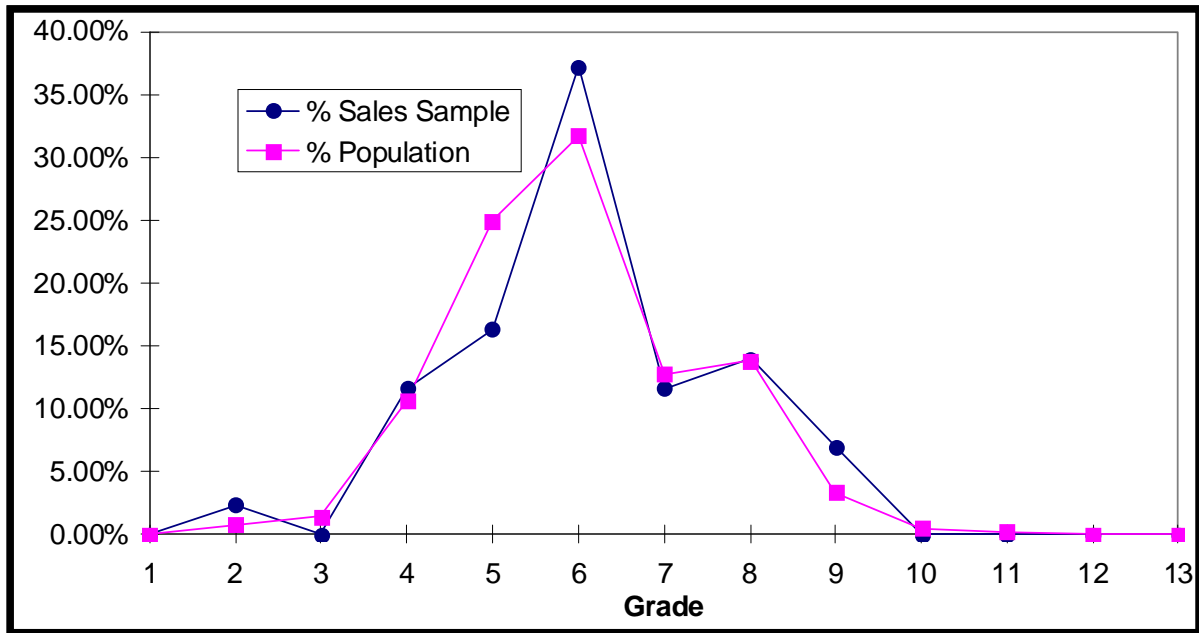


The sales sample frequency distribution follows the population distribution very closely with regard to Above Grade Living Area. This distribution is ideal for both accurate analysis and appraisals.

Sales Sample Representation of Population - Grade

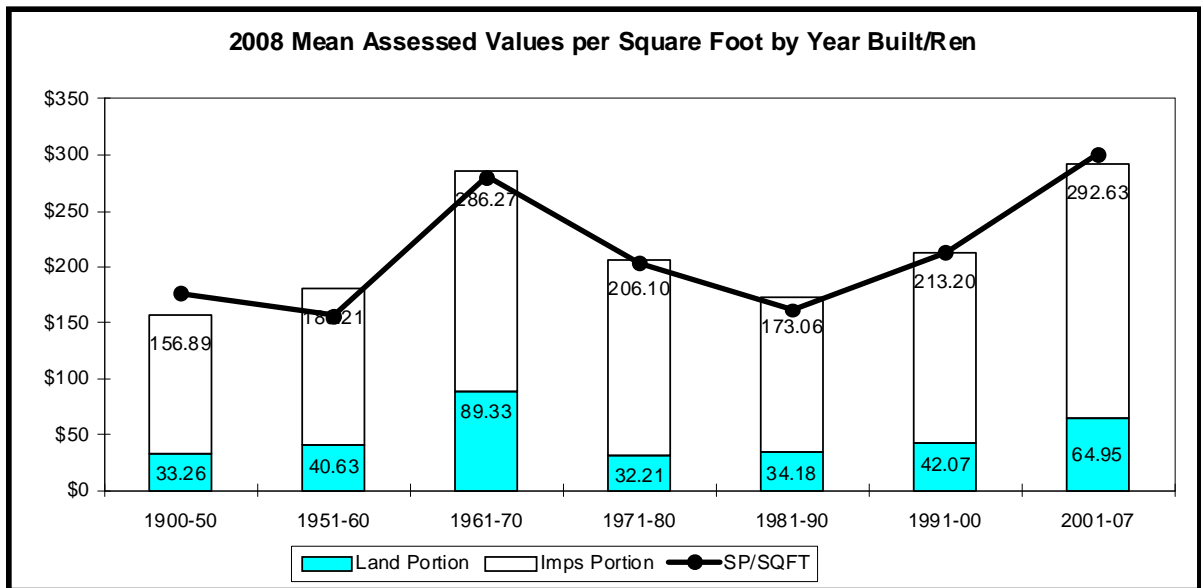
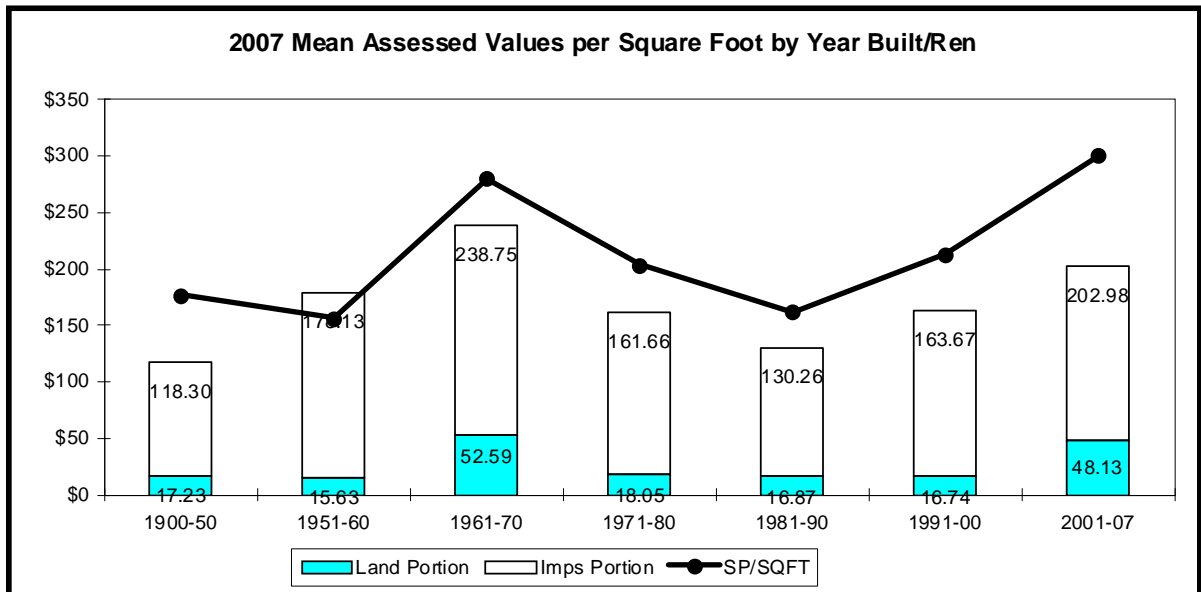
Sales Sample		
Grade	Frequency	% Sales Sample
1	0	0.00%
2	1	2.33%
3	0	0.00%
4	5	11.63%
5	7	16.28%
6	16	37.21%
7	5	11.63%
8	6	13.95%
9	3	6.98%
10	0	0.00%
11	0	0.00%
12	0	0.00%
13	0	0.00%
	43	

Population		
Grade	Frequency	% Population
1	0	0.00%
2	5	0.79%
3	9	1.43%
4	67	10.63%
5	157	24.92%
6	200	31.75%
7	80	12.70%
8	87	13.81%
9	21	3.33%
10	3	0.48%
11	1	0.16%
12	0	0.00%
13	0	0.00%
	630	



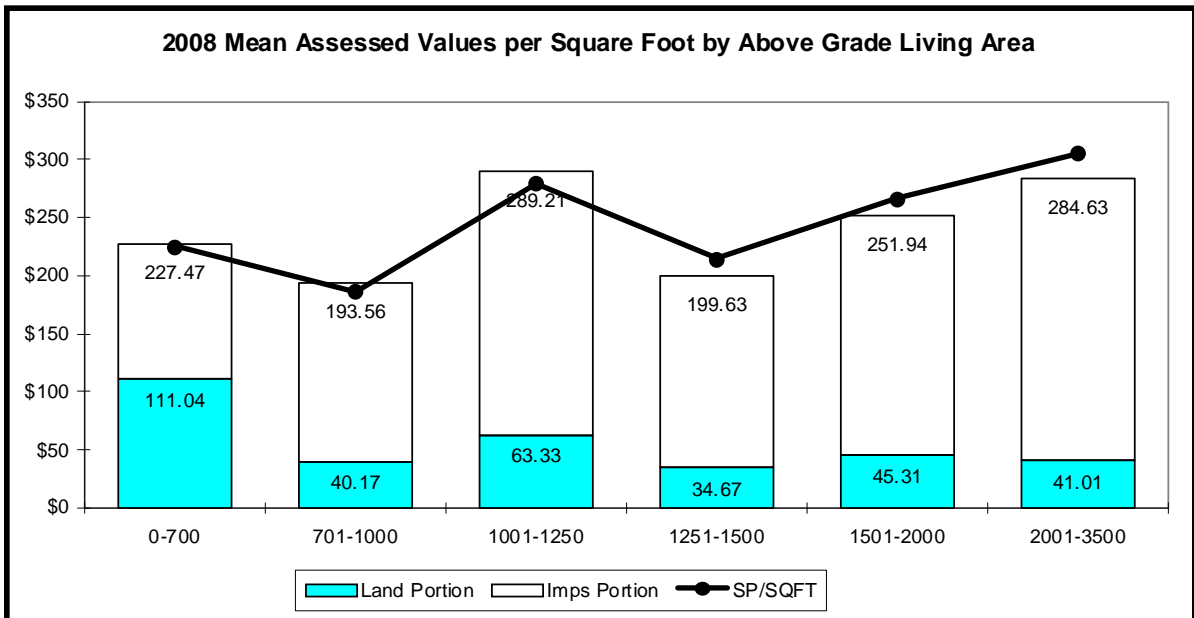
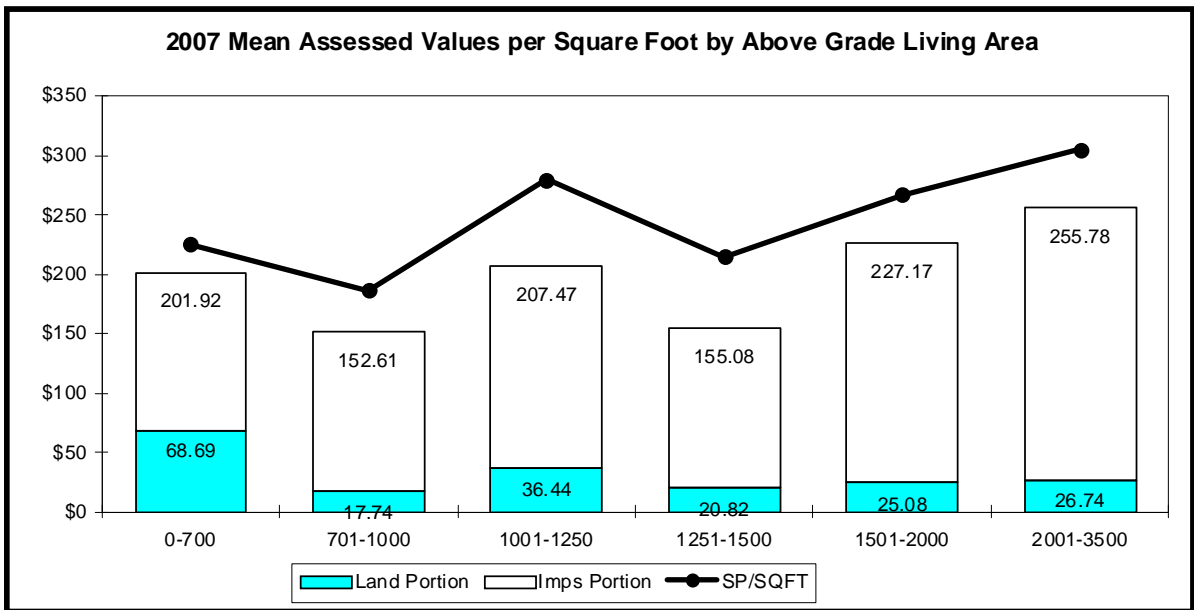
The sales sample frequency distribution follows the population distribution very closely with regard to Building Grade. This distribution is ideal for both accurate analysis and appraisals.

Comparison of 2007 and 2008 Per Square Foot Values by Year Built or Year Renovated



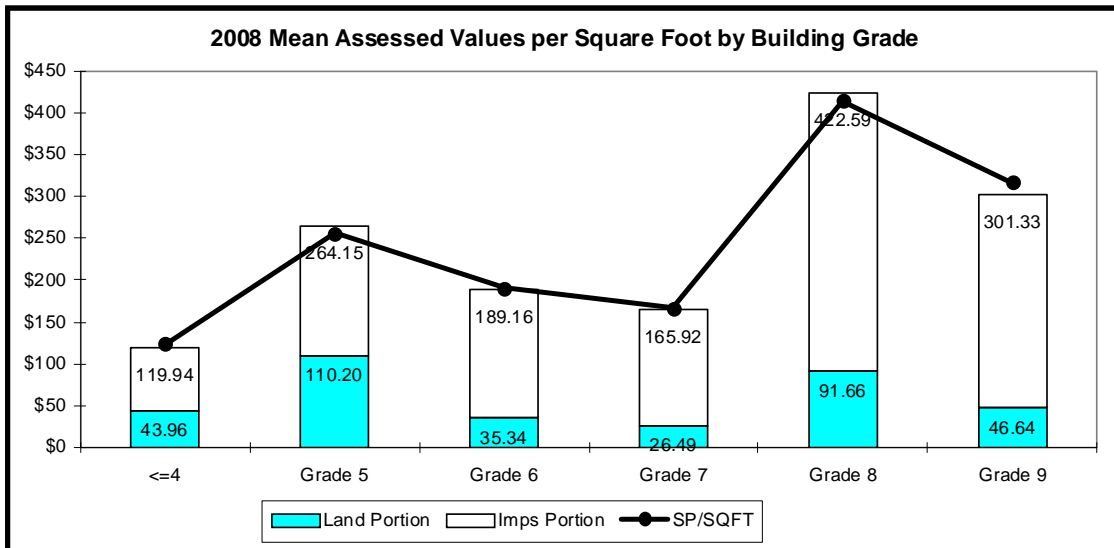
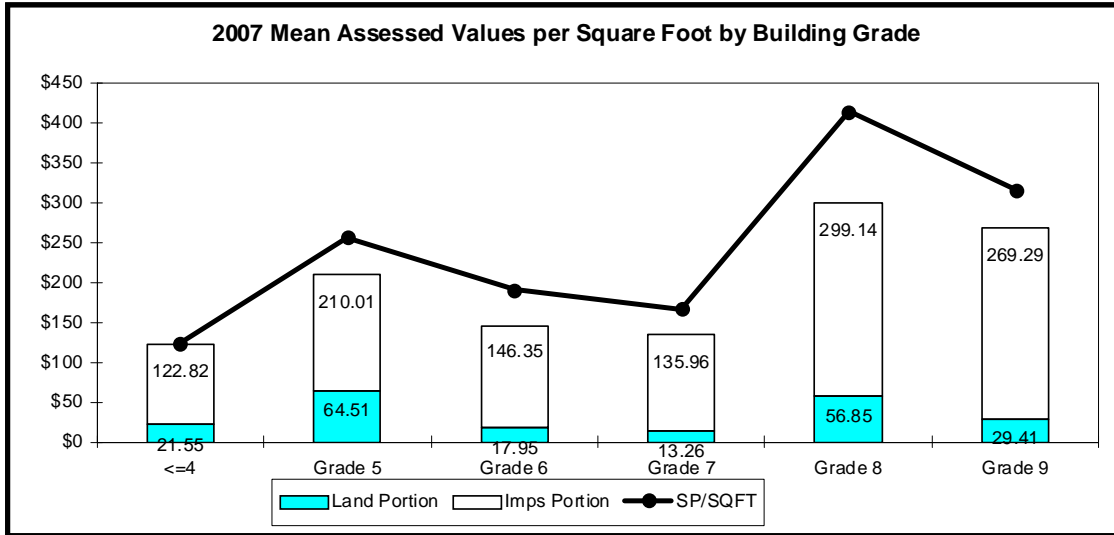
These charts clearly show an improvement in assessment level and uniformity by Year Built/Renovated as a result of applying the 2008 recommended values. The values shown in the improvements portion of the chart represent the value for land and improvements.

Comparison of 2007 and 2008 Per Square Foot Values by Above Grade Living Area



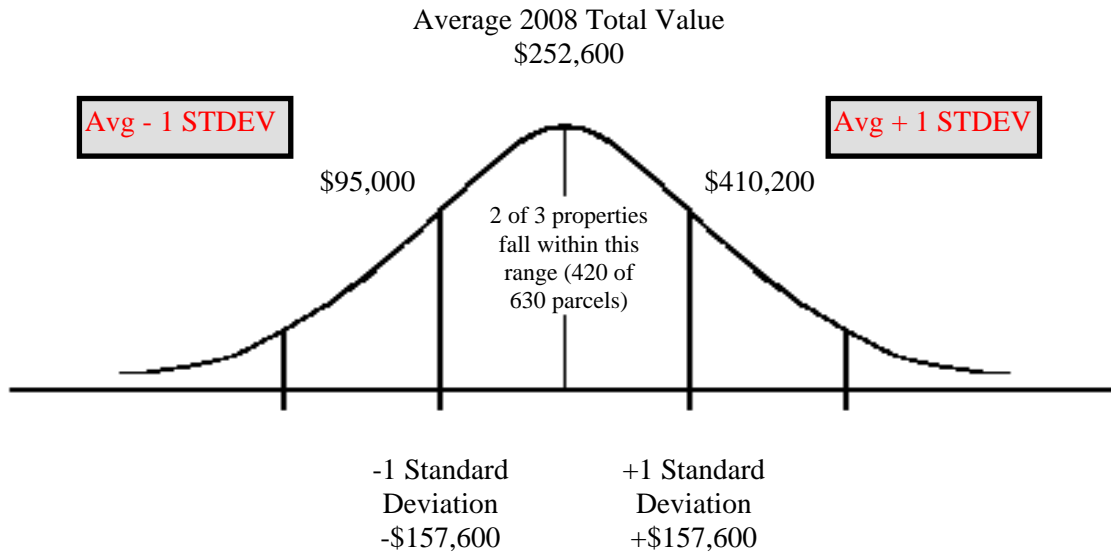
These charts clearly show an improvement in assessment level and uniformity by Above Grade Living Area as a result of applying the 2008 recommended values. The values shown in the improvements portion of the chart represent the value for land and improvements.

Comparison of 2007 and 2008 Per Square Foot Values by Grade



These charts clearly show an improvement in assessment level and uniformity by Building Grade as a result of applying the 2007 recommended values. The values shown in the improvements portion of the chart represent the value for land and improvements.

Population Summary

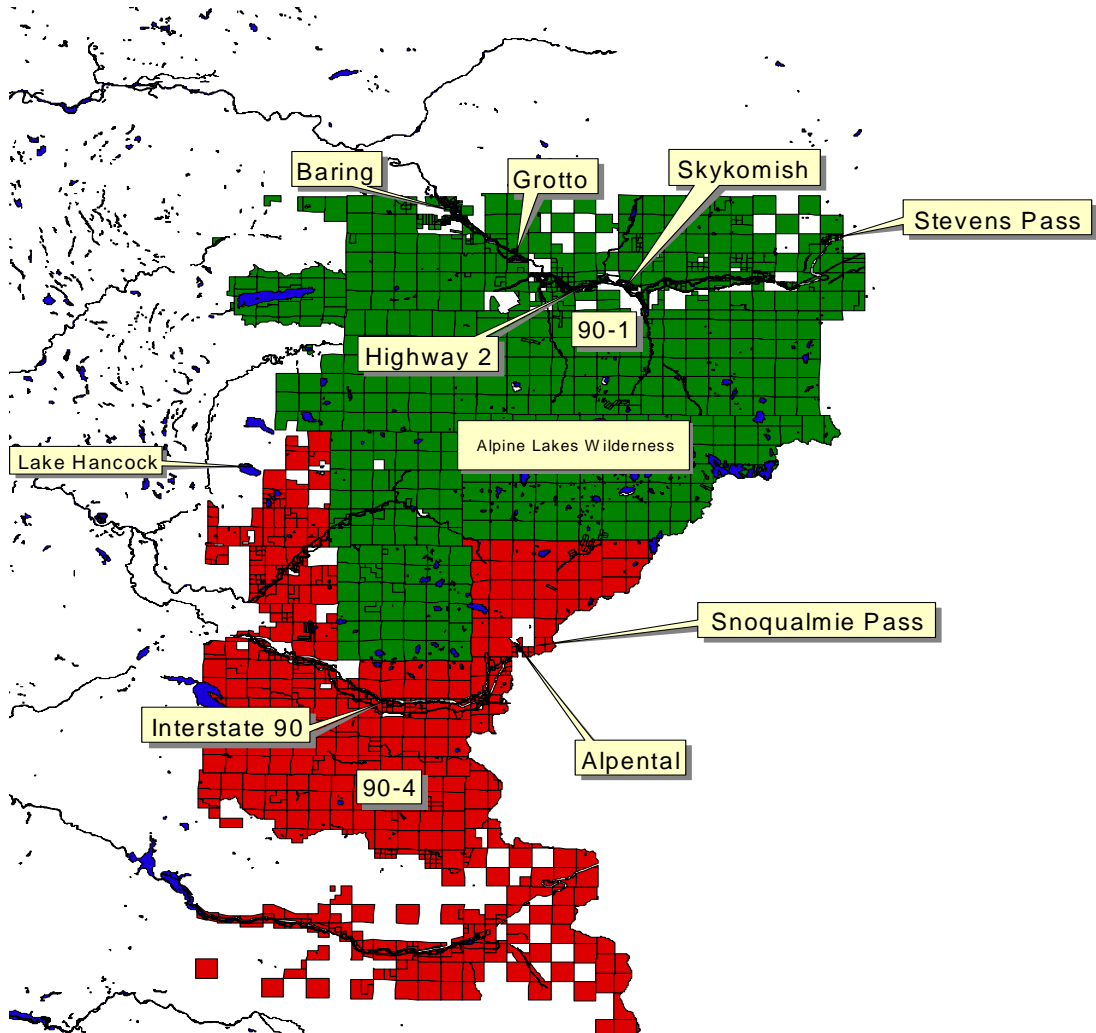


The chart above shows the average value for the population. Two of three parcels fall within the upper and lower value limits indicated.

The population summary above does not include sites with multiple buildings or mobile homes that were not included in the sales sample used to develop the valuation model. Parcels with 2007 or 2008 improvement values of less than \$4,000 were also excluded. These were not utilized because of the inaccurate ratios presented by them, since they are largely composed of previously vacant sites, or parcels with improvements which make relatively little contribution to total value.

Area Map

AREA 90



Effective Date of Appraisal: January 1, 2008

Date of Appraisal Report: April 10, 2008

Highest and Best Use Analysis

As If Vacant: Market analysis of the area, together with current zoning and current and anticipated use patterns, indicate the highest and best use of the overwhelming majority of the appraised parcels is single family residential. Any other opinion of highest and best use is specifically noted in our records, and would form the basis for the valuation of that specific parcel.

As If Improved: Where any value for improvements is part of the total valuation, we are of the opinion that the present improvements produce a higher value for the property than if the site was vacant. In appraisal theory, the present use is therefore the highest and best (as improved) of the subject property, though it could be an interim use.

Standards and Measurement of Data Accuracy: Sales were verified with the purchaser, seller or real estate agent where possible. Current data was verified via field inspection and corrected. Data was collected and coded per the assessor's residential procedures manual.

Special Assumptions and Limiting Conditions

The sales comparison and cost approaches to value were considered for this mass appraisal valuation. After the sales verification process, the appraiser concluded that the market participants typically do not consider an income approach to value. Therefore the income approach is not applicable in this appraisal as these properties are not typically leased, but rather owner occupied. The income approach to value was not considered in the valuation of this area.

The following Departmental guidelines were considered and adhered to:

- Sales from 1/2005 to 1/2008 (at minimum) were considered in all analyses.
- No market trends (market condition adjustments, time adjustments) were applied to sales prices. Models were developed without market trends. The utilization of three years of market information without time adjustments averaged any net changes over that time period.
- This report is intended to meet the requirements of the Uniform Standards of Professional Appraisal Practice Standard 6.

Identification of the Area

Name or Designation:

Area Name: East Rural King County

Boundaries:

Area 90 or East Rural King County is bounded to the north by the King-Snohomish County line, to the east by the King-Chelan and King-Kittitas County lines, to the south by the townships 20-8, 20-9, 20-10, 20-11, 20-12, and 20-13 which run along the King-Pierce County line, and to the west by the Snoqualmie Valley.

Maps:

A general map of the area is included in this report. More detailed Assessor's maps are located on the 7th floor of the King County Administration Building.

Area Description:

Area 90 is located along the eastern stretches of Highway 2 and Interstate 90 in King County. Much of Area 90 is federal forest land which includes the Alpine Lakes Wilderness Area. The Area is split into two sub-areas, 90-1 and 90-4. Area 90-1 includes the properties along Highway 2 from Baring to Stevens pass. The Town of Skykomish is the only incorporated municipality in Area 90-1. The communities of Baring, Grotto and Scenic though not incorporated are also located in Area 90-1. Area 90-4 includes properties mostly along Interstate 90 from just east of North Bend to Snoqualmie Pass. There are no incorporated municipalities in Area 90-4 but it does include the plat of Alpentel.

Approximately 50% of properties in Area 90 are located on waterfront or have waterfront access. Due to locations in floodplains and/or floodways as well as related development issues including but not limited to The Critical Areas Ordinance, many of these properties are not buildable or have severe restrictions to development. Sites that cannot be developed still retain utility as recreational sites. A significant percentage of improved properties in these areas are seasonal use cabins or vacation homes. The proximity to Ski Areas and Sno-Parks affords use of many of these properties for winter recreation as well as summer uses.

Preliminary Ratio Analysis

A Ratio Study was completed just prior to the application of the 2008 recommended values. This study benchmarks the current assessment level using 2007 posted values. The study was also repeated after application of the 2008 recommended values. The results are included in the validation section of this report, showing an improvement in the COV from 35.22% to 14.79%.

Scope of Data

Land Value Data:

Vacant sales from 1/2005 to 1/2008 were given primary consideration for valuing land. The base land values and adjustments were derived primarily from land sales in the market area. Other methods such as allocation, extraction or residual were used to cross check and supplement the prevailing land sales for accuracy, consistency and uniformity. All accessible land sales were field verified and attempts to contact the principles of a transaction were made.

Improved Parcel Total Value Data:

Sales information is obtained from excise tax affidavits and reviewed initially by the Accounting Division, Sales Identification Section. Information is analyzed and investigated by the appraiser in the process of revaluation. All sales were verified, if possible, by calling either the purchaser or seller, inquiring in the field or calling the real estate agent. Characteristic data is verified for all sales if possible. Due to time constraints, interior inspections were limited. Sales are listed in the "Sales Used" and "Sales Removed" sections of this report. Additional information resides in the Assessor's procedure manual located in the Public Information area of the King County Administration Building.

The Assessor maintains a cost model, which is specified by the physical characteristics of the improvement, such as first floor area, second floor area, total basement area, and number of bathrooms. The cost for each component is further calibrated to the 13 grades to account for quality of construction. Reconstruction Cost New (RCN) is calculated from adding up the cost of each component. Depreciation is then applied by means of a percent good table which is based on year built, grade, and condition, resulting in Reconstruction Cost New less Depreciation (RCNLD). The appraiser can make further adjustments for obsolescence (poor floor plan, design deficiencies, external nuisances etc.) if needed. The Assessor's cost model generates RCN and RCNLD for principal improvements and accessories such as detached garages and pools.

The Assessor's cost model was developed by the King County Department of Assessments in the early 1970's. It was recalibrated in 1990 to roughly approximate Marshall & Swift's square foot cost tables, and is indexed annually to keep up with current costs.

Land Model

Model Development, Description and Conclusions

There are 2,844 parcels in Area 90 with 1,535 of those being in non-exempt (taxable) status. Of the 1,535 non-exempt parcels nearly half are vacant. A total of 525 are tax lots with the remainder being platted. The Land Valuation Model is designed primarily to value tax lots and serve as a basis for the valuation of platted parcels where various attributes and proximity influences can impact value.

Negative adjustments for topography, erosion hazard, steep slope hazard, wetlands, streams, restrictive shape, 100 year floodplain, FEMA floodway, or other environmental impacts were made where necessary. The extent of the adjustment was dependent on the aggregate effect of all impacts on a given parcel. These impacts tend to limit or prohibit future development of a given parcel. They also restrict the use and enjoyment of already improved properties. The categories for environmental impacts are mild, moderate, significant, high and extreme. The adjustments for these impacts range from 5% to 50% of base land value. A property may also be categorized as non-buildable. Typically in these situations documentation is on file showing these properties to be Non-buildable. Non-buildable properties see a 75% reduction from base land value. These adjustments to land are supported by land sales and paired sales analysis.

Additional negative adjustments were made for traffic noise, railway proximity, power lines, difficult or undeveloped access and petroleum contamination. Positive adjustments were made for territorial and mountain views. These adjustments are supported by paired sales of vacant and improved properties in Area 90.

There are a total of 495 non-exempt (taxable) parcels in Area 90 that are classified as waterfront. A total of 471 of these are located on river/creek frontage with the remainder being Lake Hancock waterfront. Positive adjustments were made for most waterfront locations. Some river and creek front locations can have their positive adjustments offset by negative environmental or external influences.

The analysis of Area 90 revealed the necessity for two separate land models for the geographically separated Sub Areas. The percentage increase in land values is due partly to upward market changes over time and the previous assessment levels. A list of vacant sales used and those considered not reflective of market are included in the following sections.

Land Value Model Calibration

AC	SfLot	90-1	90-4	Environmental/Sensitive Area Impact	
0.05	2178	\$16,000	\$76,500	Mild	less 5% to 10%
0.1	4356	\$21,900	\$83,700	Moderate	less 15% to 20%
0.15	6534	\$26,800	\$88,200	Significant	less 25% to 30%
0.2	8712	\$30,400	\$91,800	High	less 35% to 40%
0.25	10890	\$33,100	\$94,500	Extreme	less 45% to 50%
0.3	13068	\$35,300	\$96,300	Non-Buildable	less 75%
0.35	15246	\$37,200	\$98,100		
0.4	17424	\$38,800	\$99,900	Skykomish Contamination Area	Less 10% to 30%
0.45	19602	\$40,200	\$101,700		
0.5	21780	\$41,500	\$103,500	External Nuisances	
0.55	23958	\$42,700	\$104,400	Traffic Noise	less 10% to 25%
0.6	26136	\$43,700	\$105,300		
0.65	28314	\$44,700	\$106,200	Rail Proximity	less 10% to 25%
0.7	30492	\$45,600	\$107,100		
0.75	32670	\$46,500	\$108,000	Powerlines	less 10% to 30%
0.8	34848	\$47,300	\$108,900		
0.85	37026	\$48,000	\$109,800	Difficult Access	less 10% to 30%
0.9	39204	\$48,700	\$110,700		
0.95	41382	\$49,400	\$111,600	Views	
1	43560	\$50,000	\$112,500		
1.25	54450	\$52,700	\$117,000	Territorial/Cascade	
1.5	65340	\$54,900	\$121,500	Average	No Adj.
1.75	76230	\$56,800	\$126,000	Good	add 15%
2	87120	\$58,400	\$130,500	Excellent	add 20%
2.25	98010	\$59,900	\$134,100		
2.5	108900	\$61,400	\$137,700	River	
2.75	119790	\$62,900	\$141,300	Average	add 10%
3	130680	\$64,400	\$144,900	Good	add 15%
3.25	141570	\$65,400	\$147,600	Excellent	add 20%
3.5	152460	\$66,400	\$150,300		
3.75	163350	\$67,400	\$153,000	Waterfront 90-1*	
4	174240	\$68,400	\$155,700	1'-50'	\$250 per front foot
4.25	185130	\$69,400	\$158,400	51'-100'	\$150 per front foot
4.5	196020	\$70,400	\$161,100	101'-200'	\$100 per front foot
4.75	206910	\$71,400	\$163,800	200'-300'	\$50 per front foot
5	217800	\$72,400	\$166,500	301'+	No Additional Adjustment
5.5	239580	\$74,200	\$171,000	Base Land + \$25,000 + \$ per front foot	
6	261360	\$76,000	\$175,500		
6.5	283140	\$77,800	\$180,000	Waterfront 90-4*	
7	304920	\$79,600	\$184,500	1'-50'	\$450 per front foot
7.5	326700	\$81,400	\$189,000	51'-100'	\$250 per front foot
8	348480	\$83,200	\$193,500	101'-200'	\$150 per front foot
8.5	370260	\$85,000	\$197,100	200'-300'	\$100 per front foot
9	392040	\$86,800	\$200,700	301'+	No Additional Adjustment
9.5	413820	\$88,600	\$204,300	Base Land + \$40,000 + \$ per front foot	
10	435600	\$90,400	\$207,900		
11	479160	\$93,400	\$214,200		
12	522720	\$96,400	\$220,500	*The adjustment for waterfront feet	
13	566280	\$99,400	\$226,800	is regressive. The adjustments for Area	
14	609840	\$102,400	\$232,200	90-1 are as follows. An adjustment of	
15	653400	\$105,400	\$237,600	\$250 per linear foot for the first 50 front	
16	696960	\$107,900	\$242,100	feet, \$150 per linear foot for the next 50	
17	740520	\$110,400	\$246,600	front feet, \$100 per linear foot for the next	
18	784080	\$112,900	\$251,100	100 front feet and \$50 for the next 100	
19	827640	\$115,400	\$254,700	front feet. No further adjustment is made	
20	871200	\$117,900	\$258,300	for frontage over 300 feet. The amount	
25	1089000	\$127,900	\$271,800	figured is added to the base land +	
30	1306800	\$137,900	\$285,300	\$25,000. Other adjustments are then	
35	1524600	\$147,900	\$294,300	applied per the schedule.	
40	1742400	\$157,900	\$303,300		
Plus \$1,000 per acre over 40 acres					

Land Model Calibration - Plats

PLAT NAME	MAJOR	QSTR	# LOTS	LOT SIZE	YR BUILT	GRADE	SITE VALUE
Aces Friday Creek Hunting-Fishing	002500	SE 18-20-11	7	.12 to 14.72 AC	1945 to 1954	3	\$1,000 to \$59,000
Alpental	19230	NW/SW 33-23-11	125	.21 to .78 AC	1966 to 2007	8 to 11	\$27,000 to \$139,000
Plat of The Berg	76050	SE 26-26-11	1	.32 AC	1970	7	\$36,000
Berg Replat	76070	SE 26-26-12	6	.16 to .24 AC	1980	7	\$13,000 to \$32,000
Town of Berlin	77310	NE/NW 28-26-11	56	.01 to 4.04 AC	1920 to 1990	2 to 6	\$1,000 to \$54,000
1st Addition to Town of Berlin	77410	NW 28-26-11	34	.28 to 2.33 AC	1920 to 1990	4 to 8	\$18,000 to \$60,000
Cass's Tye River Tracts	143690	SW 30-26-12	15	.21 to 1.34 AC	1904 to 2007	3 to 7	\$20,000 to \$103,000
Cass's Tye River Tracts Div. #2	143750	SW 30-26-12	18	.25 to 1.02 AC	1920 to 1995	1 to 5	\$31,000 to \$50,000
Chamonix Village Addition	150850	NE/NW/SE 02-26-10	25	.13 to 4.10 AC	1961 to 2006	4 to 8	\$24,000 to \$77,000
Foss River Cabin Sites Addition	260860	SW-32-26-12	29	.24 to .90 AC	1963 to 2005	4 to 7	\$28,000 to \$112,000
Grotto Addition	294310	SW-17-26-11	45	.05 to .74 AC	1906 to 1995	4 to 7	\$7,000 to \$42,000
Lake Hancock Hide-Outs Addition	403250	SW-9-24-9	20	.21 to 1.14 AC	1920 to 2000	2 to 8	\$85,000 to \$146,000
Maloneys 1st Addition to Skykomish	506080	SW-26-26-11	9	.01 to .16 AC	1903 to 2000	5 to 6	\$1,000 to \$19,000
Maloneys 2nd Addition to Skykomish	506130	SW-26-26-1	24	.09 to 1.48 AC	1912 to 2003	5 to 8	\$5,000 to \$34,000
Maloneys 3rd Addition to Skykomish	506180	SW-26-26-11	9	.02 to .34 AC	1900 to 1969	4 to 7	\$1,000 to \$25,000
Maloneys 4th Addition to Skykomish	506230	SE/SW 26-26-11	39	.08 to 1.31 AC	1916 to 2005	3 to 7	\$19,000 to \$53,000
Maloneys 5th Addition to Skykomish	506330	SE 26-26-11	21	.11 to 1.30 AC	1930 to 1996	5 to 6	\$6,000 to \$51,000
Montagna Park Addition	558170	NW-2-26-10	32	.18 to .49 AC	1940 to 1993	3 to 6	\$8,000 to \$53,000
Riverwood Park #1	734970	NE 11-26-10; NW 12-26-10	60	.23 to .73 AC	1964 to 2000	4 to 8	\$25,000 to \$72,000
Riverwood Park #2	734980	NE 11-26-10; NW/SW 12-26-11	94	.16 to .72 AC	1971 to 1998	4 to 8	\$21,000 to \$57,000
Sky River Estates	780560	SE-26-26-11	25	.22 to .36 AC	1980 to 2005	6 to 8	\$23,000 to \$68,000
Skyko Park Addition	780660	SE-2-26-10	34	.03 to .38 AC	1930 to 1993	4 to 6	\$1,000 to \$57,000
Town of Skykomish	780780	SW-26-26-11	41	.01 to .58 AC	1900 to 2006	4 to 7	\$1,000 to \$57,000
Skylandia Addition	780940	SE-2-26-10	52	.21 to .76 AC	1961 to 1995	3 to 6	\$7,000 to \$14,000
Timber Lane Village Div. #1	864940	SE 25-26-11; SW 30-26-12	125	.12 to 3.06 AC	1930 to 2007	4 to 8	\$7,000 to \$84,000
Tye River Lodge Tracts	873270	SW-29-26-13	75	.01 to 2.45 AC	1960 to 2001	2 to 6	\$1,000 to \$47,000

**Vacant Sales Used In This Physical Inspection Analysis
Area 90**

Sub Area	Major	Minor	Sale Date	Sale Price	Lot Size	View	Water-front
001	022610	9082	9/13/06	\$50,000	217,800	N	N
001	077310	0510	1/4/05	\$45,000	58,370	N	N
001	077410	0395	6/17/05	\$47,900	57,400	N	N
001	077410	0440	8/8/07	\$70,000	56,312	N	N
001	077410	1190	6/20/06	\$55,000	59,346	N	N
001	077410	1425	8/1/06	\$46,500	59,346	N	N
001	077410	1565	8/4/06	\$37,000	59,346	N	N
001	077410	1565	8/12/05	\$35,000	59,346	N	N
001	077410	1710	11/27/06	\$50,000	55,206	N	N
001	143750	0020	4/26/06	\$44,000	29,853	N	N
001	150850	0050	6/18/07	\$40,000	12,330	N	N
001	150850	0060	5/30/07	\$37,000	12,468	N	N
001	150850	0070	12/28/05	\$35,000	10,943	N	N
001	150850	0080	10/11/05	\$25,000	10,901	N	N
001	150850	0090	6/27/05	\$30,000	11,068	N	N
001	272611	9016	7/22/06	\$50,000	125,888	Y	Y
001	282611	9031	12/21/05	\$59,950	53,049	N	N
001	282611	9041	8/7/07	\$82,000	104,953	N	N
001	294310	0127	3/17/05	\$15,500	9,525	N	N
001	506080	0070	4/14/06	\$30,000	5,000	N	N
001	506230	0117	8/11/06	\$50,000	10,000	N	N
001	734980	0210	6/10/05	\$10,000	15,750	Y	Y
001	734980	0220	6/6/05	\$30,000	15,750	Y	Y
001	734980	0270	6/28/07	\$29,950	13,372	Y	Y
001	734980	0400	12/10/07	\$21,000	9,800	N	N
001	734980	0480	4/13/07	\$29,950	14,355	N	N
001	864940	0030	8/21/06	\$25,000	9,750	N	N
001	864940	0050	2/28/06	\$42,500	9,750	N	N
001	864940	0560	10/17/05	\$30,000	13,050	N	N
001	864940	0990	11/8/07	\$32,000	9,750	N	N
001	873270	1110	8/9/06	\$10,000	18,473	N	N
004	019230	0150	8/24/05	\$21,000	12,993	Y	Y
004	019230	0170	6/06/07	\$28,000	11,744	Y	Y
004	019230	0220	6/12/06	\$149,000	9,271	N	N
004	019230	0240	12/29/06	\$190,000	9,141	N	N
004	019230	0240	10/11/05	\$90,000	9,141	N	N
004	019230	0310	4/09/07	\$125,000	12,208	N	N
004	019230	0310	1/23/07	\$115,000	12,208	N	N
004	019230	0310	10/26/05	\$49,500	12,208	N	N
004	019230	0320	3/04/05	\$33,500	11,705	N	N
004	019230	0340	11/16/06	\$129,000	9,246	N	N
004	019230	0340	10/27/05	\$459,000	9,246	N	N
004	019230	0490	3/16/05	\$120,000	9,495	N	N
004	019230	0560	12/27/06	\$150,000	11,921	N	N
004	019230	0560	8/14/06	\$140,000	11,921	N	N
004	019230	0580	11/08/07	\$150,000	9,910	N	N
004	019230	0580	2/15/07	\$128,500	9,910	N	N
004	019230	0950	12/26/06	\$110,000	16,649	N	N
004	019230	1030	7/20/05	\$60,000	12,646	N	N

***Vacant Sales Used In This Physical Inspection Analysis
Area 90***

Sub Area	Major	Minor	Sale Date	Sale Price	Lot Size	View	Water-front
04	292309	9029	9/15/06	\$50,000	28,000	Y	Y

**Vacant Sales Removed From This Physical Inspection Analysis
Area 90**

Sub Area	Major	Minor	Sale Date	Sale Price	Comments
001	022610	9039	10/19/07	\$37,500	MULTI-PARCEL SALE;
001	022610	9042	10/19/07	\$37,500	MULTI-PARCEL SALE;
001	022610	9054	3/20/06	\$165,000	TEAR DOWN
001	052510	0057	5/17/07	\$32,000	MULTI-PARCEL SALE
001	052510	0070	5/17/07	\$32,000	MULTI-PARCEL SALE
001	052510	0190	2/8/07	\$12,000	MULTI-PARCEL SALE
001	052510	0195	2/8/07	\$12,000	MULTI-PARCEL SALE
001	077310	0110	11/1/05	\$69,000	MULTI-PARCEL SALE
001	077310	0120	11/10/06	\$5,000	QUIT CLAIM DEED
001	077310	0490	12/2/05	\$113,000	MULTI-PARCEL SALE
001	077410	0010	11/1/05	\$69,000	MULTI-PARCEL SALE
001	077410	0470	1/9/06	\$150,000	MULTI-PARCEL SALE
001	077410	0475	1/9/06	\$150,000	MULTI-PARCEL SALE
001	077410	1190	1/9/06	\$150,000	MULTI-PARCEL SALE
001	143690	0045	3/28/06	\$221,000	MULTI-PARCEL SALE
001	143750	0045	7/19/05	\$130,500	MULTI-PARCEL SALE
001	143750	0047	7/19/05	\$130,500	MULTI-PARCEL SALE
001	150850	0070	3/30/05	\$16,500	NON-REPRESENTATIVE SALE
001	172611	9029	4/16/07	\$16,000	MULTI-PARCEL SALE
001	172611	9032	11/27/07	\$233,000	MULTI-PARCEL SALE
001	202612	9002	7/5/07	\$5,000	QUIT CLAIM DEED
001	262611	9014	12/4/07	\$99,950	MULTI-PARCEL SALE
001	262611	9086	8/17/06	\$171,000	MULTI-PARCEL SALE
001	262611	9094	12/4/07	\$99,950	MULTI-PARCEL SALE
001	262611	9104	12/4/07	\$99,950	MULTI-PARCEL SALE
001	282611	9024	10/15/07	\$39,500	MULTI-PARCEL SALE
001	294310	0020	2/24/06	\$101,050	MULTI-PARCEL SALE
001	294310	0155	4/16/07	\$16,000	MULTI-PARCEL SALE
001	332611	9019	10/15/07	\$39,500	GOVERNMENT AGENCY
001	506130	0155	3/3/05	\$14,000	MULTI-PARCEL SALE
001	506130	0165	3/3/05	\$14,000	MULTI-PARCEL SALE
001	506230	0206	1/23/06	\$82,000	MULTI-PARCEL SALE
001	558170	0125	12/4/06	\$5,000	NO MARKET EXPOSURE
001	734970	0530	1/23/07	\$66,000	NON-REPRESENTATIVE SALE
001	734970	0530	8/18/06	\$18,000	NON-REPRESENTATIVE SALE
001	734980	0010	11/1/05	\$220,900	MULTI-PARCEL SALE
001	734980	0160	7/17/06	\$242,452	MULTI-PARCEL SALE
001	734980	0620	7/19/07	\$12,000	NON-REPRESENTATIVE SALE
001	734980	0880	12/16/05	\$11,000	NON-REPRESENTATIVE SALE
001	864940	0450	10/1/07	\$257,000	MULTI-PARCEL SALE
001	864940	0980	10/23/06	\$27,500	MULTI-PARCEL SALE
001	864940	0990	10/23/06	\$27,500	MULTI-PARCEL SALE
001	864940	1060	7/29/06	\$3,107	NON-REPRESENTATIVE SALE
001	873270	0070	1/26/05	\$90,000	MULTI-PARCEL SALE
001	873270	0140	12/1/07	\$5,400	NON-REPRESENTATIVE SALE
001	873270	0250	12/7/07	\$4,107	NON-REPRESENTATIVE SALE
001	873270	0440	1/26/05	\$90,000	MULTI-PARCEL SALE

**Vacant Sales Removed From This Physical Inspection Analysis
Area 90**

Sub Area	Major	Minor	Sale Date	Sale Price	Comments
001	873270	0450	1/26/05	\$90,000	MULTI-PARCEL SALE
004	019230	0220	10/11/05	\$60,000	NO MARKET EXPOSURE
004	019230	0560	8/14/06	\$140,000	CORRECTION DEED
004	019230	0560	6/2/06	\$450,000	MULTI-PARCEL SALE
004	019230	0580	6/2/06	\$450,000	MULTI-PARCEL SALE
004	019230	0760	9/25/07	\$50,000	NON-REPRESENTATIVE SALE
004	019230	0760	7/25/06	\$5,000	NO MARKET EXPOSURE
004	019230	0950	3/3/06	\$153,500	NO MARKET EXPOSURE
004	052211	9019	1/19/07	\$6,739,914	MULTI-PARCEL SALE
004	092211	9001	1/19/07	\$6,739,914	MULTI-PARCEL SALE
004	182211	9002	5/22/07	\$61,500	QUIT CLAIM DEED
004	252111	9001	4/24/07	\$836,533	NO MARKET EXPOSURE
004	252111	9001	6/28/06	\$823,094	NO MARKET EXPOSURE
004	272012	9001	6/28/06	\$874,500	NO MARKET EXPOSURE
004	272111	9001	10/30/07	\$722,666	NON-PROFIT ORGANIZATION
004	292309	9041	8/25/05	\$237,500	MULTI-PARCEL SALE
004	352111	9001	6/28/06	\$874,500	NO MARKET EXPOSURE

Improved Parcel Total Value Model:

Model Development, Description and Conclusions

All sales were field verified and characteristics updated prior to model development. Additionally, all sales from 1/2005 to 1/2008 were given equal consideration and weight in the model. The assessment level sought in this valuation is 100% of market as mandated by the State of Washington.

A total of 43 sales were verified and used in the final Area 90 Analysis. The analysis consisted of a systematic review of pertinent characteristics such as, but not limited to, year built, condition, grade, accessories, above grade living area, garage and basement. After an initial review, characteristics that indicated a possible adjustment were analyzed using NCSS (Number Crunching Statistical Software) along with Microsoft Excel. A number of charts, graphs, tables and reports were analyzed to determine which specific variables would be included in the final valuation model. These tools showed that Base Land Value, Building RCNLD (Replacement Cost New Less Depreciation), No Bath (Bathrooms=0) and the plats of Alpentel and Timber Lane Village were suitable variables. Accessory RCNLD was also part of the final valuation model. Through this process a cost based EMV (Estimate of Market Value) model was developed. Cost based EMV models tend to work best in more heterogeneous areas like Area 90, due to their ability to account for a wide range of variables that can impact value. The variable Building RCNLD takes into account the variables for above grade living area, basement, finished basement, attached/built-in garage, condition, grade and age among others. More than 86% of improved properties in Area 90 were valued using EMV, 9% of properties were valued at RCNLD and approximately 5% of the properties were appraiser selects.

Improvements valued using methods aside from EMV are typically exception parcels. Exception parcels in Area 90 include but are not limited to Poor Condition, % Complete < 100%, % Obsolescence > 0%, Net Condition > 0%, Grade < 3 and Improvements Count > 1.

The improved parcel Total Value Models are included later in this report.

Improved Parcel Total Value Model Calibration

Dependent Variable: Natural Log(Sales Price)-Accessory RCNLD

Excel Transformations are in italics.

<u>Independent Variables</u>	<u>Transformations</u>
Intercept	2.52509
Base Land	=Natural Log of Base land divided by 1000 = <i>LN(BaseLand/1000)</i>
Building RCNLD	=Natural Log of Building RCNLD divided by 1000 = <i>LN(BldgRCNLD/1000)</i>
No Bathroom	=Natural Log of 10 if Bathroom=0 else 0 = <i>If(Bathroom=0,LN(10),0)</i>
Alpentel	=Natural Log of 10 if located in Alpentel else 0 = <i>If(Major=019230,Ln(10),0)</i>
Timber lane Village	=Natural Log of 10 if located in Timber lane Village else 0 = <i>If(Major=864940,LN(10),0)</i>

Improved Parcel Valuation Model:

$EMV = (EXP(\text{Intercept} + \text{Base land} * .1376048 + \text{Building RCNLD} * .4624094 + \text{No Bathroom} * (-.214191) + \text{Alpentel} * .13760480 + \text{Timber lane Village} * (-.07662766)) * 1000) + \text{Accessory RCNLD}$

Truncate result to "000"

Select Land Value = Base land Value

Select Improvements Value = EMV – Select land Value

EMV values were not generated for:

- Buildings with grade less than 3
- Building two or greater. (EMV is generated for building one only.)
- If total EMV is less than base land value
- Lot size less than 100 square feet
- Condition = 1
- Obsolescence > 0
- % Complete > 0
- Net Condition > 0

Glossary for Improved Sales

Condition: Relative to Age and Grade

1= Poor	Many repairs needed. Showing serious deterioration
2= Fair	Some repairs needed immediately. Much deferred maintenance.
3= Average	Depending upon age of improvement; normal amount of upkeep for the age of the home.
4= Good	Condition above the norm for the age of the home. Indicates extra attention and care has been taken to maintain
5= Very Good	Excellent maintenance and updating on home. Not a total renovation.

Residential Building Grades

Grades 1 - 3	Falls short of minimum building standards. Normally cabin or inferior structure.
Grade 4	Generally older low quality construction. Does not meet code.
Grade 5	Lower construction costs and workmanship. Small, simple design.
Grade 6	Lowest grade currently meeting building codes. Low quality materials, simple designs.
Grade 7	Average grade of construction and design. Commonly seen in plats and older subdivisions.
Grade 8	Just above average in construction and design. Usually better materials in both the exterior and interior finishes.
Grade 9	Better architectural design, with extra exterior and interior design and quality.
Grade 10	Homes of this quality generally have high quality features. Finish work is better, and more design quality is seen in the floor plans and larger square footage.
Grade 11	Custom design and higher quality finish work, with added amenities of solid woods, bathroom fixtures and more luxurious options.
Grade 12	Custom design and excellent builders. All materials are of the highest quality and all conveniences are present
Grade 13	Generally custom designed and built. Approaching the Mansion level. Large amount of highest quality cabinet work, wood trim and marble; large entries.

**Improved Sales Used In This Physical Inspection Analysis
Area 90**

Sub Area	Major	Minor	Sale Date	Sale Price	Above Grade Living	Finished Bsmt	Bld Grade	Year Built/ Ren	Cond	Lot Size	View	Water-front	Situs Address
001	873270	1130	4/17/06	\$28,000	270	0	2	1968	3	19424	N	N	87232 NE 121ST ST
001	873270	1120	12/10/07	\$77,500	650	0	4	1970	4	18948	N	N	87224 NE 121ST ST
001	864940	0160	9/11/06	\$135,000	660	0	4	1970	4	9035	N	N	12202 762ND AVE NE
001	077410	1825	6/27/06	\$110,000	690	0	4	2004	3	67780	N	N	69539 NE MONEY CREEK RD
001	112610	9054	6/27/07	\$78,000	690	0	4	1966	4	22215	N	N	18301 639TH AVE NE
001	780660	0110	8/24/05	\$56,000	1260	0	4	1930	2	5959	N	N	19017 641ST AVE NE
001	150850	0155	4/21/06	\$117,000	500	0	5	1967	4	5670	N	N	19415 636TH AVE NE
001	262611	9064	6/30/06	\$163,770	730	0	5	1920	4	6098	N	N	145 NE OLD CASCADE HWY
001	734970	0010	7/28/05	\$187,000	790	0	5	1968	4	20475	Y	Y	18325 642ND AVE NE
001	873270	0180	1/11/06	\$91,000	840	0	5	1983	3	27670	N	Y	87206 NE OLD CASCADE HWY
001	143750	0025	8/30/05	\$151,000	950	0	5	1980	4	30362	N	N	11857 TYE RIVER RD NE
001	262611	9057	7/16/07	\$185,000	990	0	5	1917	4	6098	N	N	133 NE OLD CASCADE HWY
001	734980	0720	5/25/06	\$167,000	820	0	6	1984	3	15625	N	N	64431 NE 180TH ST
001	734980	0970	5/25/05	\$141,500	900	0	6	1980	3	11250	N	N	64634 NE 177TH ST
001	864940	1020	7/26/05	\$140,000	900	0	6	1994	3	9750	N	N	75830 NE 122ND ST
001	734980	0460	11/27/07	\$215,500	910	0	6	1980	3	10450	N	N	17904 646TH AVE NE
001	864940	0040	7/17/06	\$184,000	950	0	6	1969	4	9750	N	N	75927 NE 122ND ST
001	734980	0920	9/12/05	\$169,000	960	0	6	1971	3	13750	N	N	64674 NE 177TH ST
001	864940	0770	8/29/05	\$150,000	960	0	6	1952	3	19100	N	N	75530 NE 122ND ST
001	252611	9036	9/26/07	\$265,500	990	0	6	1992	3	14376	Y	Y	12337 744TH AVE NE
001	022610	9053	10/3/06	\$285,000	1010	0	6	1950	4	12250	Y	Y	18500 639TH AVE NE
001	873270	0210	7/27/06	\$160,000	1030	0	6	1983	3	26472	N	Y	87224 NE OLD CASCADE HWY
001	022610	9016	9/11/06	\$165,000	1040	0	6	1928	3	114998	Y	N	63928 NE STEVENS PASS HWY
001	780780	0290	9/6/06	\$193,200	1160	0	6	1915	4	6000	N	N	120 4TH ST N
001	252611	9042	3/6/06	\$283,000	1210	0	6	1963	4	16215	Y	Y	12431 744TH AVE NE
001	734980	0830	7/10/07	\$235,000	1310	0	6	1981	4	9800	N	N	64416 NE 179TH ST
001	294310	0165	11/27/07	\$233,000	1350	0	6	1926	4	20250	N	N	68124 NE 148TH ST
001	780560	0080	4/27/06	\$218,000	1470	0	6	1995	3	11625	N	N	538 SKY LN

**Improved Sales Used In This Physical Inspection Analysis
Area 90**

Sub Area	Major	Minor	Sale Date	Sale Price	Above Grade Living	Finished Bsmt	Bld Grade	Year Built/ Ren	Cond	Lot Size	View	Water-front	Situs Address
001	864940	0210	1/4/05	\$141,000	960	0	7	1997	3	10374	N	N	12207 763RD AVE NE
001	864940	0010	4/10/06	\$162,500	1230	0	7	1996	3	8450	N	N	75905 NE 122ND ST
001	864940	1260	9/12/07	\$300,000	1340	0	7	1980	5	9975	N	N	76145 NE 123RD ST
001	734980	0490	7/15/05	\$189,000	1410	0	7	1976	3	14350	N	N	18010 646TH AVE NE
001	864940	0410	10/15/05	\$317,000	1620	520	7	1970	4	10152	Y	Y	75800 NE 123RD ST
004	292309	9033	6/27/05	\$245,000	380	0	5	1963	3	65624	Y	Y	49432 SE 172ND ST
004	019230	0230	10/11/05	\$410,000	1110	300	8	1969	3	11192	Y	N	3 SAINT ANTON STR
004	019230	0230	11/8/06	\$485,000	1110	300	8	1969	3	11192	Y	N	3 SAINT ANTON STR
004	019230	0900	10/18/07	\$530,000	1120	660	8	1968	4	12930	Y	N	5 ALPENTAL STR
004	019230	0570	12/18/06	\$435,000	1120	500	8	1968	3	11695	Y	N	51 OBER STR
004	019230	0450	3/21/07	\$548,000	1410	830	8	2007	3	11751	Y	N	70 UNTER STR
004	019230	0120	7/25/07	\$640,000	1500	390	8	1991	3	10739	Y	Y	23 SAINT ANTON STR
004	019230	0550	12/18/07	\$642,000	1900	1200	9	1980	3	10490	Y	N	55 OBER STR
004	019230	0180	5/4/07	\$850,000	2400	800	9	2005	3	10794	Y	N	2 OBER STR
004	019230	1120	2/14/07	\$780,000	3040	1570	9	1968	3	11638	Y	N	24 ALPENTAL STR

**Improved Sales Removed From This Physical Inspection Analysis
Area 90**

Sub Area	Major	Minor	Sale Date	Sale Price	Comments
001	022610	9046	12/18/06	\$100,000	QUIT CLAIM DEED
001	077410	0355	8/12/06	\$192,000	IMP. CHARACTERISTICS CHANGED SINCE SALE
001	112610	9066	9/20/06	\$152,500	MULTI-PARCEL SALE
001	150850	0090	6/27/05	\$30,000	RELATED PARTY, FRIEND, OR NEIGHBOR
001	262611	9025	4/13/05	\$265,000	IMP. CHARACTERISTICS CHANGED SINCE SALE
001	262611	9026	3/1/06	\$152,000	IMP. CHARACTERISTICS CHANGED SINCE SALE
001	262611	9050	4/18/05	\$108,000	NO MARKET EXPOSURE
001	262611	9098	6/28/07	\$17,500	QUIT CLAIM DEED
001	262611	9103	4/11/05	\$175,000	IMP. CHARACTERISTICS CHANGED SINCE SALE
001	272611	9027	10/21/05	\$131,500	IMP. CHARACTERISTICS CHANGED SINCE SALE
001	272611	9027	3/15/05	\$76,000	FORCED SALE
001	272611	9032	7/27/07	\$82,500	IMP. CHARACTERISTICS CHANGED SINCE SALE
001	292613	9061	12/10/07	\$210,000	PERSONAL PROPERTY INCLUDED
001	292613	9061	12/9/05	\$59,000	QUIT CLAIM DEED
001	294310	0225	2/1/06	\$174,000	IMP. CHARACTERISTICS CHANGED SINCE SALE
001	506130	0020	9/21/05	\$130,000	IMP. CHARACTERISTICS CHANGED SINCE SALE
001	506130	0070	5/15/06	\$65,000	IMP. CHARACTERISTICS CHANGED SINCE SALE
001	506180	0050	10/18/07	\$20,000	NO MARKET EXPOSURE
001	558170	0040	9/29/06	\$12,000	QUIT CLAIM DEED
001	734970	0080	12/27/06	\$113,528	QUIT CLAIM DEED
001	780660	0112	7/6/05	\$80,000	IMP. CHARACTERISTICS CHANGED SINCE SALE
001	780780	0420	11/5/07	\$87,500	RELATED PARTY, FRIEND, OR NEIGHBOR
001	864940	0170	4/21/06	\$100,000	NON-REPRESENTATIVE SALE
001	864940	0500	9/11/07	\$155,000	QUIT CLAIM DEED
001	864940	0680	4/28/06	\$129,500	RELATED PARTY, FRIEND, OR NEIGHBOR
001	864940	0800	12/11/06	\$282,432	BANKRUPTCY - RECEIVER OR TRUSTEE
001	864940	0800	10/10/07	\$176,900	BANKRUPTCY - RECEIVER OR TRUSTEE
004	019230	0540	6/2/06	\$315,000	NO MARKET EXPOSURE
004	019230	0920	7/26/07	\$661,000	NO MARKET EXPOSURE
004	019230	0920	9/13/05	\$330,000	IMP. CHARACTERISTICS CHANGED SINCE SALE
004	019230	0990	3/16/07	\$75,612	NO MARKET EXPOSURE
004	019230	1000	11/1/06	\$590,000	IMP. CHARACTERISTICS CHANGED SINCE SALE
004	019230	1020	8/23/07	\$315,000	IMP. CHARACTERISTICS CHANGED SINCE SALE
004	019230	1080	6/27/05	\$380,000	NO MARKET EXPOSURE

Model Validation

Total Value Model Conclusions, Recommendations and Validation:

Appraiser judgment prevails in all decisions regarding individual parcel valuation. Each parcel is field reviewed and a value selected based on general and specific data pertaining to the parcel, the neighborhood, and the market. The Appraiser determines which available value estimate may be appropriate and may adjust particular characteristics and conditions as they occur in the valuation area.

Application of the Total Value Model described above results in improved equity between sub areas, grades, living area, and age of homes. In addition the resulting assessment level is 98.9%. The standard statistical measures of valuation performance are all within IAAO guidelines and are presented both in the Executive Summary and in the Physical Inspection Ratio Study Report (Before) and (After) included in this report.

The Appraisal Team recommends application of the Appraiser selected values, as indicated by the appropriate model or method.

Application of these recommended values for the 2008 assessment year (taxes payable in 2009) results in an average total change from the 2007 assessments of +27.6%. This increase is due partly to upward market changes over time and the previous assessment levels.

Note: More details and information regarding aspects of the valuations and the report are retained in the working files and folios kept in the appropriate district office.

Area 90 Physical Inspection Ratio Confidence Intervals

These tables represent the percentage changes for specific characteristics.

A 2008 LOWER 95% C.L. greater than the overall weighted mean indicates that assessment levels may be relatively high. A 2007 UPPER 95% C.L. less than the overall weighted mean indicates that levels may be relatively low. The overall 2008 weighted mean is 98.9%.

The confidence interval for the arithmetic mean is used as an estimate for the weighted mean.

It is difficult to draw valid conclusions when the sales count is low.

Bldg Grade	Count	2007 Weighted Mean	2008 Weighted Mean	Percent Change	2008 Lower 95% C.L.	2008 Upper 95% C.L.
<=4	6	0.990	0.955	-3.5%	0.879	1.031
5	7	0.802	1.032	28.6%	0.839	1.225
6	16	0.762	0.990	29.8%	0.915	1.064
7	5	0.811	0.974	20.1%	0.667	1.282
8	6	0.714	1.011	41.7%	0.872	1.151
9	3	0.866	0.950	9.6%	0.862	1.038
Year Built or Year Renovated	Count	2007 Weighted Mean	2008 Weighted Mean	Percent Change	2008 Lower 95% C.L.	2008 Upper 95% C.L.
<=1960	8	0.736	0.925	25.7%	0.818	1.031
1961-1970	15	0.856	1.008	17.8%	0.946	1.071
1971-1980	7	0.802	0.999	24.6%	0.788	1.211
1981-1990	4	0.787	1.050	33.5%	0.780	1.320
1991-2000	6	0.743	0.978	31.6%	0.795	1.161
>2000	3	0.678	0.965	42.2%	0.786	1.144
Condition	Count	2007 Weighted Mean	2008 Weighted Mean	Percent Change	2008 Lower 95% C.L.	2008 Upper 95% C.L.
Fair	1	2.161	0.982	-54.5%	N/A	N/A
Average	25	0.809	1.018	25.9%	0.965	1.072
Good	16	0.742	0.948	27.9%	0.866	1.031
Very Good	1	0.553	0.703	27.1%	N/A	N/A
Stories	Count	2007 Weighted Mean	2008 Weighted Mean	Percent Change	2008 Lower 95% C.L.	2008 Upper 95% C.L.
1	10	0.868	0.968	11.5%	0.877	1.059
1.5	29	0.779	1.013	30.1%	0.951	1.075
2	4	0.769	0.939	22.0%	0.748	1.130
Above Grade Living Area	Count	2007 Weighted Mean	2008 Weighted Mean	Percent Change	2008 Lower 95% C.L.	2008 Upper 95% C.L.
<801	9	0.842	1.001	18.8%	0.912	1.089
0801-1000	12	0.824	1.045	26.9%	0.926	1.164
1001-1500	18	0.732	0.989	35.1%	0.915	1.063
1501-2000	2	0.854	0.949	11.1%	0.147	1.751
>2000	2	0.862	0.934	8.3%	0.751	1.116

Area 90 Physical Inspection Ratio Confidence Intervals

These tables represent the percentage changes for specific characteristics.

A 2008 LOWER 95% C.L. greater than the overall weighted mean indicates that assessment levels may be relatively high. A 2007 UPPER 95% C.L. less than the overall weighted mean indicates that levels may be relatively low. The overall 2008 weighted mean is 98.9%.

The confidence interval for the arithmetic mean is used as an estimate for the weighted mean.

It is difficult to draw valid conclusions when the sales count is low.

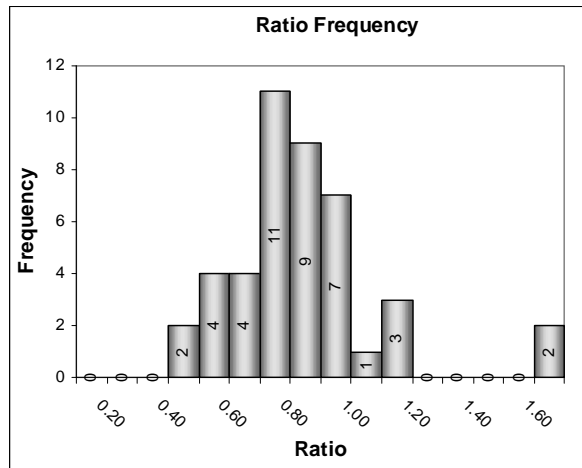
View Y/N	Count	2007 Weighted Mean	2008 Weighted Mean	Percent Change	2008 Lower 95% C.L.	2008 Upper 95% C.L.
N	27	0.808	1.017	25.9%	0.950	1.084
Y	16	0.777	0.972	25.0%	0.916	1.028
Wft Y/N	Count	2007 Weighted Mean	2008 Weighted Mean	Percent Change	2008 Lower 95% C.L.	2008 Upper 95% C.L.
N	34	0.810	1.005	24.1%	0.952	1.058
Y	9	0.714	0.932	30.4%	0.818	1.045
Sub	Count	2007 Weighted Mean	2008 Weighted Mean	Percent Change	2008 Lower 95% C.L.	2008 Upper 95% C.L.
1	33	0.798	0.993	24.4%	0.935	1.051
4	10	0.779	0.985	26.3%	0.908	1.061
Lot Size	Count	2007 Weighted Mean	2008 Weighted Mean	Percent Change	2008 Lower 95% C.L.	2008 Upper 95% C.L.
05001-08000	5	0.734	0.931	26.9%	0.706	1.157
08001-12000	19	0.784	0.977	24.6%	0.899	1.055
12001-16000	6	0.767	0.975	27.1%	0.836	1.113
16001-20000	4	0.903	1.029	14.0%	0.882	1.175
20001-30000	5	0.849	1.101	29.7%	0.975	1.228
30001+	4	0.788	1.045	32.5%	0.716	1.373
No Bath	Count	2007 Weighted Mean	2008 Weighted Mean	Percent Change	2008 Lower 95% C.L.	2008 Upper 95% C.L.
N	37	0.780	0.988	26.7%	0.935	1.041
Y	6	1.005	1.001	-0.4%	0.924	1.079
Alpentel	Count	2007 Weighted Mean	2008 Weighted Mean	Percent Change	2008 Lower 95% C.L.	2008 Upper 95% C.L.
N	34	0.797	0.992	24.4%	0.936	1.048
Y	9	0.779	0.985	26.5%	0.898	1.072
Timber Lane Village	Count	2007 Weighted Mean	2008 Weighted Mean	Percent Change	2008 Lower 95% C.L.	2008 Upper 95% C.L.
N	35	0.780	0.992	27.2%	0.944	1.040
Y	8	0.844	0.969	14.8%	0.799	1.140

Physical Inspection Ratio Study Report (Before)

2007 Assessment

District/Team: NE / Team - 3	Lien Date: 01/01/2007	Date of Report: 05/06/2008	Sales Dates: 1/2005- 12/2007
Area 90	Appr ID: JDAR	Property Type: 1 to 3 Unit Residences	Adjusted for time?: No

SAMPLE STATISTICS	
Sample size (n)	43
Mean Assessed Value	206,500
Mean Sales Price	261,800
Standard Deviation AV	157,284
Standard Deviation SP	193,721
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.848
Median Ratio	0.808
Weighted Mean Ratio	0.789
UNIFORMITY	
Lowest ratio	0.419
Highest ratio:	2.161
Coefficient of Dispersion	22.26%
Standard Deviation	0.299
Coefficient of Variation	35.22%
Price Related Differential (PRD)	1.075
RELIABILITY	
95% Confidence: Median	
<i>Lower limit</i>	0.738
<i>Upper limit</i>	0.877
95% Confidence: Mean	
<i>Lower limit</i>	0.759
<i>Upper limit</i>	0.937
SAMPLE SIZE EVALUATION	
N (population size)	630
B (acceptable error - in decimal)	0.05
S (estimated from this sample)	0.299
Recommended minimum:	142
Actual sample size:	43
Conclusion:	N/A
NORMALITY	
Binomial Test	
# ratios below mean:	25
# ratios above mean:	18
z:	1.067
Conclusion:	Normal*
<i>*i.e. no evidence of non-normality</i>	



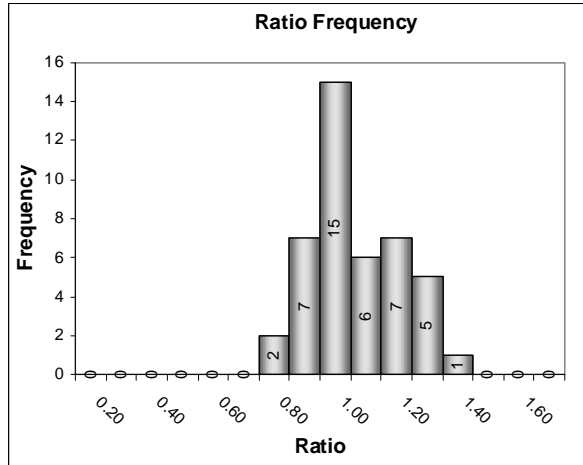
COMMENTS:

1 to 3 Unit Residences throughout area 90

Physical Inspection Ratio Study Report (After)

2008 Assessment

District/Team: NE/Team - 3	Lien Date: 01/01/2008	Date of Report: 05/06/2008	Sales Dates: 1/2005 - 12/2007
Area 90	Appr ID: JDAR	Property Type: 1 to 3 Unit Residences	Adjusted for time?: No
SAMPLE STATISTICS			
Sample size (n)	43		
Mean Assessed Value	258,900		
Mean Sales Price	261,800		
Standard Deviation AV	183,163		
Standard Deviation SP	193,721		
ASSESSMENT LEVEL			
Arithmetic Mean Ratio	1.017		
Median Ratio	0.991		
Weighted Mean Ratio	0.989		
UNIFORMITY			
Lowest ratio	0.703		
Highest ratio:	1.358		
Coefficient of Dispersion	12.08%		
Standard Deviation	0.150		
Coefficient of Variation	14.79%		
Price Related Differential (PRD)	1.028		
RELIABILITY			
95% Confidence: Median			
Lower limit	0.947		
Upper limit	1.096		
95% Confidence: Mean			
Lower limit	0.972		
Upper limit	1.062		
SAMPLE SIZE EVALUATION			
N (population size)	630		
B (acceptable error - in decimal)	0.05		
S (estimated from this sample)	0.150		
Recommended minimum:	36		
Actual sample size:	43		
Conclusion:	OK		
NORMALITY			
Binomial Test			
# ratios below mean:	24		
# ratios above mean:	19		
z:	0.762		
Conclusion:	Normal*		
*i.e. no evidence of non-normality			



COMMENTS:

1 to 3 Unit Residences throughout area 90

Both assessment level and uniformity have been improved by application of the recommended values.

Mobile Home Analysis

Scope of Mobile Home Data

There are 48 parcels in Area 90 that are improved with a mobile home and 6 sales used in the analysis. Sales used were from 1/1/2005 through 12/31/2007. A list of sales used is included in this report. Due to the limited number of sales no Appraisal Ratio Report was included.

Model Development, Description and Conclusions

A market adjusted cost approach was used to appraise mobile homes. Appraiser judgment prevails in all decisions regarding individual parcel valuation. Each parcel is field verified and a value is selected based on general and specific data pertaining to the parcel, mobile home, neighborhood and market. The Appraiser determines which available value estimate to be appropriate and may adjust for particular characteristics and conditions as they occur in the market place.

Appraiser judgment prevails in all decisions regarding individual parcel valuation. Each parcel is field-reviewed and a value is selected based on general and specific data pertaining to the parcel, the neighborhood, and the market. The appraiser determines which available value estimate may be appropriate and may adjust particular characteristics and conditions as they occur in the valuation area.

Application of the market-adjusted cost approach results in an improvement of the assessment level for mobile homes of 85.6% to 98.2%. The limited sample size is not sufficient for most of the statistical measures commonly used to measure uniformity and equity thus these statistical measures were not included.

The Appraisal Team recommends application of the Appraiser selected values for mobile homes, as indicated by the appropriate model or method.

Application of these recommended values for the 2008 assessment year (taxes payable in 2009) results in an average total change from the 2007 assessments of 27.7% for the population of mobile homes. This increase is due to upward market changes over time and the previous assessment level.

Note: More details and information regarding aspects of the valuations and the report are retained in the working files kept in the appropriate district office.

**Mobile Home Sales Used In This Physical Inspection Analysis
Area 90**

Sub Area	Major	Minor	Sale Date	Sale Price	Size	Class	Cond	Year Built	Lot Size	View	Water-Front
001	734980	0700	3/21/06	\$134,000	1,116	2	2	1994	9600	N	N
001	734980	0680	8/14/07	\$169,500	1,134	2	3	2002	12500	N	N
001	734980	0510	11/27/06	\$134,000	1,152	2	3	1977	10125	N	N
001	150850	0010	10/4/07	\$148,000	1,404	2	2	1987	9888	N	N
001	052510	0035	4/19/06	\$147,000	1,512	2	2	2002	14400	N	N
001	734980	0890	7/9/07	\$218,500	1,809	2	2	1994	19932	N	N

**Mobile Home Sales Removed From This Physical Inspection Analysis
Area 90**

Sub Area	Major	Minor	Sale Date	Sale Price	Comments
001	150850	0010	4/24/07	\$69,900	BANKRUPTCY - RECEIVER OR TRUSTEE
001	150850	0010	5/12/06	\$120,908	FORCED SALE
001	150850	0100	2/10/06	\$78,000	FORCED SALE
001	294310	0005	2/24/06	\$101,050	MULTI-PARCEL SALE
001	734980	0340	10/27/05	\$65,800	IMP. CHARACTERISTICS CHANGED SINCE SALE